

WC 06-214

FILED/ACCEPTED

DEC - 4 2006

Federal Communications Commission
Office of the Secretary

VCI Company
P.O. Box 98907
Lakewood, WA 98496-8907
Telephone: (253) 830-0056
Facsimile: (253) 475-6328

Via Overnight Delivery

Marlene H. Dortch, Secretary
Federal Communications Commission
Office of the Secretary
9300 East Hampton Drive
Capitol Heights, MD 20743

Re: VCI Company – Section 63.71 Application of Authority to Discontinue
Local Exchange Services in Oregon and Washington

Dear Ms. Dortch:


Enclosed are an original and five (5) copies of VCI Company's Section 63.71 Application for Authority to Discontinue Local Exchange Services in Oregon and Washington, filed pursuant to Section 214(a) of the Telecommunications Act of 1934, as amended and Section 63.71 of the Commission's rules. A copy of this application has been sent to Carmell Weathers via electronic mail at carmell.weathers@fcc.gov. With this application, VCI requests authority to discontinue services in Washington on January 1, 2007 and in Oregon on February 1, 2007.

Please acknowledge receipt of this filing by date stamping and returning the additional copy of this transmittal letter in the self-addressed, postage paid envelope provided for this purpose.

Questions regarding this filing may be directed to me at the telephone and facsimile numbers above or via electronic mail at staceyk@vcicompany.com.

Sincerely,

VCI Company


Stacey A. Klinzman
Regulatory Attorney

FILED/ACCEPTED

DEC - 4 2006

Federal Communications Commission
Office of the Secretary

Before the

FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C.

In the Matter of)
Section 63.71 Application of)
VCI Company) WC Docket No. _____
For Authority to Discontinue)
Local Exchange Services in)
Oregon and Washington)

SECTION 63.71 APPLICATION

VCI Company ("VCI"), through its undersigned counsel, hereby files this Application to discontinue providing local exchange services in the States of Oregon and Washington, pursuant to Section 63.71 of the Commission's rules, 47 C.F.R. § 63.71, and Section 214(a) of the Communications Act of 1934, as amended. Specifically, VCI is seeking to discontinue the provision of flat rate, basic local exchange service and ancillary services, such as custom calling features, to non-federal governmental customers in Qwest Communications, Inc.'s ("Qwest") service areas in Oregon and Washington. Service will be discontinued upon approval of this Application by the Federal Communication Commission ("Commission") and approval of service discontinuance notices filed by VCI with the Public Utility Commission of Oregon ("PUCO") and the Washington Utilities and Transportation Commission ("WUTC").

Because VCI is a designated Eligible Telecommunications Carrier in both Oregon and Washington, VCI has filed or is in the process of filing with these entities notices of relinquishment of ETC status pursuant to 47 C.F.R. § 54.205.

In support of this Application, VCI submits the following information:

I. Description of Discontinuance

1. Name and address of carrier.

VCI Company
2228 S. 78th Street
Tacoma, Washington 98409-9050

Correspondence and communications concerning this Application should be directed to:

Stacey A. Klinzman
Regulatory Attorney
VCI Company
2228 S. 78th Street
Tacoma, Washington 98409-9050
Telephone: 253.830.0056
Facsimile: 253.475.6328
Electronic mail: staceyk@vcicompany.com

And to:

Stan Efferding
Secretary/Treasurer
VCI Company
2228 S. 78th Street
Tacoma, Washington 98409-9050
Telephone: 253.830.0051
Facsimile: 253.475-6328
Electronic mail: vilaire@comcast.net

2. Date of planned service discontinuance.

The anticipated date for the discontinuance of local exchange services is upon approval of this application by the Commission, and further approval by the Public Utility Commission of Oregon and Washington Utilities and Transportation Commission. Under state commission rules, VCI expects that the WUTC will approve service discontinuance on January 1, 2007 and that the OPUC will approve service discontinuance on February 1, 2007.

3. Points of geographic areas of service affected.

By this Application, VCI seeks authority to discontinue the provision of local exchange services, specifically basic local service and ancillary services, such as custom calling features, throughout its Oregon and Washington service areas.

4. Brief description of the type of service affected.

VCI provides flat rated, basic local exchange service permitting customers unlimited calling within the local calling area, and ancillary services in Qwest's Oregon and Washington service areas. Upon approval of this Application by the Commission and approval of VCI's requests to cease providing service filed with the PUCO and WUTC, VCI intends to discontinue providing all services in the States of Oregon and Washington. VCI will not be abruptly discontinuing service to its customers. Existing customers will continue to be served by VCI

until they switch to another carrier or are disconnected for nonpayment of bills.

5. Brief description of the dates and methods of notice to all affected customers.

Written notice to all affected customers substantially in the form of the sample letters attached as Exhibit A was mailed to customers on November 29, 2006. As of the date of filing of this Application, VCI provides local exchange telecommunications service to 1,629 Oregon customers and 17,258 Washington customers.

6. Non-dominance of the carrier with respect to the service to be discontinued.

VCI is non-dominant with respect to the services that it proposes to discontinue.

7. Service.

In accordance with 47 C.F.R. § 63.71(a), VCI has mailed copies of this Application to the PUCO and the WUTC. Copies of this Application also have been sent to Governor Kulongoski of Oregon, Governor Gregoire of Washington, and to the Secretary of Defense.

II. Circumstances of Discontinuance

As part of VCI's plan to ensure the continued long-term profitability of the Company, VCI has determined to discontinue providing basic local exchange service and ancillary services in Oregon and Washington. As a result of recent Commission decisions deregulating the prices of network element combinations, and Incumbent Local Exchange Carrier cost increases, service in these states has become cost prohibitive for the company. Service only can be maintained by increasing rates and charges to the consumer or to the detriment of overall company operations and the quality of service to other customers. VCI's desire to maintain its position in a competitive market requires it to discontinue serving customers in these states.

Qwest is the incumbent local exchange carrier in VCI's Oregon and Washington service areas. Many competitive carriers have been certified to provide service in Qwest's service areas. In addition to Qwest, competitive wireline and wireless carriers have been designated as ETCs in Qwest's Oregon and Washington service areas. Thus, alternative service providers are readily


available to serve VCI's customers. Finally, VCI does not provide a unique service that would be difficult for consumers to find elsewhere. Residential, flat rated, basic local exchange service, permitting unlimited calling within the customer's local service area is a common service readily available to VCI's current customers through Qwest and authorized competitive carriers in Qwest's service areas in Oregon and Washington.

III. Conclusion

VCI believes that the proposed discontinuance of service in Oregon and Washington is reasonable and necessary. As VCI will not be abruptly disconnecting service to customers and alternate carriers are available to serve consumers residing in VCI's service area, the discontinuance of service should not be unduly disruptive to the present or future public convenience and necessity. For the foregoing reasons, VCI respectfully requests, pursuant to Section 214(a) of the Communications Act of 1934, as amended, 47 U.S.C. § 214(a), and Section 63.71 of the Commission's Rules, 47 C.F.R. § 63.71, that the Commission permit it to discontinue the provision of local exchange services to customers residing in Oregon and Washington.

Respectfully submitted,

VCI Company

By: 
Stacey A. Klinzman
Regulatory Attorney
VCI Company
2228 S. 78th Street
Tacoma, Washington 98409-9050

Anti-Drug Abuse Act Certification

Answer YES if all parties to the application are in compliance with Section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. Section 862, the federal law which provides federal and state court judges the discretion to deny federal benefits to individuals convicted of offenses consisting of the distribution of controlled substances. For a definition of "party" for these purposes, see 47 C.F.R. Section 1.2002(b). See also Amendment of Part 1 of the Commission's Rules to Implement Section 5301 of the Anti-Drug Abuse Act of 1988, 6 FCC Rcd 7551, 57 Fed. Reg. 00186 (1991).

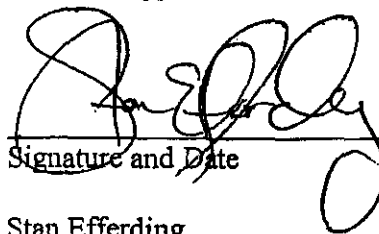
X YES NO _____

By checking yes, the applicant certifies that, in the case of an individual applicant, he or she is not subject to a denial of federal benefits that includes FCC benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. 862, or, in the case of a non-individual applicant (e.g., corporation, partnership or other unincorporated association), no party to the application is subject to a denial of federal benefits that includes FCC benefits pursuant to that section. For the definition of a party for these purposes, see 47 C.F.R. Section 1.2002(b).

I certify that the statements made in this application are true, complete, and correct to the best of my knowledge and belief, and are made in good faith.

VCI Company

Name of Applicant

 11/29/06

Signature and Date

Stan Efferding

Printed Name of Person Signing

Secretary/Treasurer

Title

EXHIBIT A
NOTICES TO AFFECTED CUSTOMERS
(Attached)

VCI COMPANY, P.O. Box 98907
Lakewood, Washington 98496-8907
Telephone: 800-923-8375

November 29, 2006

Customer Name
Address
State, Zip

RE: Notice of Intention to Discontinue Providing Local Exchange Services in Oregon

Dear Customer:

VCI Company ("VCI") has filed an application with the Federal Communications Commission ("FCC") to discontinue providing local exchange service in Oregon. Service discontinuance will not begin until approval of VCI's application before the FCC, and until the Public Utility Commission of Oregon ("PUCO") has approved VCI's request to discontinue service. **Subject to approval by the FCC and the PUCO, the anticipated date when VCI will no longer provide local exchange service is February 1, 2007.**

Prior to the date of service discontinuance, VCI will continue to be your basic local service provider unless you switch to another local exchange carrier or are disconnected for non-payment for service. Several other carriers, including Qwest Communications, Inc., are authorized to serve customers in your area and are able to serve Lifeline and Link-Up eligible consumers at reduced rates. **Your action is required! You must contract with a new service provider as quickly as possible or you may lose your services. Please select a new carrier as soon as possible to avoid any interruption of service.**

The FCC normally will authorize this proposed discontinuance of service unless it is shown that customers would be unable to receive service or a reasonable substitute from another carrier or that the public convenience and necessity is otherwise adversely affected. If you wish to object, you should file your comments as soon as possible, but no later than 15 days after the FCC releases public notice of the proposed discontinuance. Address them to the Federal Communications Commission, Wireline Competition Bureau, Competition Policy Division, Washington, DC 20054, and include in your comments a reference to the Sec. 63.71 Application of VCI Company. Comments should include specific information about the impact of this proposed discontinuance upon you, including any inability to acquire reasonable substitute service.

VCI appreciates the opportunity it has had to serve you. If you have any questions regarding VCI's service discontinuance, please contact Customer Service at 800-923-8375.

VCI Company

VCI COMPANY, P.O. Box 98907
Lakewood, Washington 98496-8907
Telephone: 800-923-8375

November 29, 2006

Customer Name
Address
State, Zip

**RE: Notice of Intention to Discontinue Providing Local Exchange Services in
Washington**

Dear Customer:

VCI Company ("VCI") has filed an application with the Federal Communications Commission ("FCC") to discontinue providing local exchange service in Washington. Service discontinuance will not begin until approval of VCI's application before the FCC, and until the Washington Utilities and Transportation Commission ("WUTC") has approved VCI's request to discontinue service. **Subject to approval by the FCC and the WUTC, the anticipated date when VCI will no longer provide local exchange service is January 1, 2007.**

Prior to the date of service discontinuance, VCI will continue to be your basic local service provider unless you switch to another local exchange carrier or are disconnected for non-payment for service. Several other carriers, including Qwest Communications, Inc., are authorized to serve customers in your area and are able to serve Lifeline and Link-Up eligible consumers at reduced rates. **Your action is required! You must contract with a new service provider as quickly as possible or you may lose your services. Please select a new carrier as soon as possible to avoid any interruption of service.**

The FCC normally will authorize this proposed discontinuance of service unless it is shown that customers would be unable to receive service or a reasonable substitute from another carrier or that the public convenience and necessity is otherwise adversely affected. If you wish to object, you should file your comments as soon as possible, but no later than 15 days after the FCC releases public notice of the proposed discontinuance. Address them to the Federal Communications Commission, Wireline Competition Bureau, Competition Policy Division, Washington, DC 20054, and include in your comments a reference to the Sec. 63.71 Application of VCI Company. Comments should include specific information about the impact of this proposed discontinuance upon you, including any inability to acquire reasonable substitute service.

VCI appreciates the opportunity it has had to serve you. If you have any questions regarding VCI's service discontinuance, please contact Customer Service at 800-923-8375.

VCI Company

I hereby certify that the foregoing Section 63.71 Application of VCI Company was served this 29th day of November, 2006, by providing true and correct copies thereof to the following persons at the addresses appearing below:

Marlene H. Dortch, Secretary
Federal Communications Commission
Office of the Secretary
9300 East Hampton Drive
Capitol Heights, MD 20743
(via Overnight Delivery)


Vikie Bailey-Goggins
Public Utility Commission of Oregon
550 Capital St. NE #215
Salem, OR 97301-2551
(via electronic mail and U.S. mail, 1st class, postage prepaid)

Ms. Carole Washburn
Executive Secretary
Washington Utilities and Transportation Commission
1300 South Evergreen Park Drive S.W.
Olympia, Washington 98504-7250
(via electronic mail: records@wutc.wa.gov)

The Honorable Theodore R. Kulongoski
Governor of the State of Oregon
254 State Capitol
Salem, Oregon 97310
(via U.S. mail, 1st class, postage prepaid)

The Honorable Christine Gregoire
Office of the Governor
P.O. Box 40002
Olympia, WA 98504-0002
(via U.S. mail, 1st class, postage prepaid)

Secretary of Defense
Special Assistant for Telecommunications
Pentagon, Washington, D.C. 20301
(via U.S. mail, 1st class, postage prepaid)


Sue Willett